

**U.S. Department of Housing and Urban Development**

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Suite 100  
Washington, D.C. 20410



OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

**To:** All HUD Inspectors Certified in the use of the Uniform Physical Condition Standards (UPCS) Inspection Protocol

**FROM:** Robert L. Garrett  
Inspector Administration

**SUBJECT:** Vacancy Unit Policy and Guidance for MF Housing  
(Inspector Notice No. 2005-02)

**EFFECTIVE DATE:** August 31, 2005

Please be advised that HUD REAC continues to conduct a checklist analysis of all UPCS inspections. The analysis includes how the "Vacant Unit Policy for MF Housing" is being processed. It revealed that an increasing number of inspectors are not adhering to the requirements of the REAC Compilation Bulletin. The purpose of this email is to remind inspectors of the requirement, and to establish revised procedures for processing findings under the "Vacant Unit Policy."

Per the REAC Compilation Bulletin for all MF Housing properties, vacant units that are included in the random sample will be inspected when the property vacancy rate is 15% or more. However, our review of the Inspection Summary Reports reveals the following problems:

- An increasing number of inspectors are failing to inspect vacant units in MF properties with vacancy rates of 15% or more;
- When vacant units are being inspected as required, they are not being properly recorded in the UPCS inspection software.

The procedures to record vacant units in the DCD are depicted below. If these procedures are not properly followed, applicable inspections will be rejected and must be reinspected at no expense to the federal government.

**NOTE:** We assumed that the vacancy rate in the following MF property is 20% and that after generating the sample it was determined that the first sample unit (unit #3) was vacant. Since the vacancy rate exceeds 15%, per the Vacant Unit Policy, unit #3 should be inspected.

**PROCEDURES TO RECORD VACANT UNITS**

1. In the Building/Unit Information TAB click Unit box

Inspection Number: 815074

Property Information    **Building / Unit Information**    Property Inspectable Items    Check / Prepare / Import

Building Number: 1    \*Building Name: HURLBERT HOUSE

\*Construction Year: 1979    \*Building Type: Low Rise/Garden Apartment

\*Units In Building: 75    \*Reason Uninspectable: None Entered

Units In Sample: 20

Sample Units: 3, 5, 6, 11, 13, 20, 23, 27, 39, 41, 43, 47, 48, 56, 59, 62, 67, 68, 69, 71 Alternates: 53

Comments:

**Buildings On File For This Inspection**

Building Number	Building Name	Building Type	Reason Uninspectable	In Sample
▶ 1	HURLBERT HOUSE	Low Rise/Garden	None Entered	YES

**CLICK HERE**

Add Building    Edit Building    Delete Building    ?    Help    Exit

Address Info    **Units**    Generate Sample

2. Then click "Add Unit" to enter unit information for this building

Unit Information for Building (1-HH/PSST HOUSE)

\* Unit Number  \* Unit Type

Occupied ☐ \* Reason Uninspectable

Sample Units

Comments

CLICK HERE

Add Unit

Help Close Form

3. Enter the "Unit Number" and "Unit Type". Under "Reason Uninspectable" select "non-entered" from the drop-down menu. The "Occupied" box is check by default; un-check this box so that the report shows this unit as not occupied. Write a comment in the comment box indicating that the unit is vacant but was inspected due to the vacant unit policy. Click on "Save Unit".

Unit Information for Building: 61-1810000000000000

\* Unit Number: 3      \* Unit Type: 1 Bedroom

Occupied: ☐      \* Reason Uninspectable: None Entered

Sample Units: 3, 5, 6, 11, 12, 20, 23, 27, 39, 41, 42, 47, 48, 56, 59, 62, 67, 68, 69, 71 Alternates: 53, 57

Comments: Vacant unit, inspected since vancy rate exceeds 15 %

Click Here

Save Unit      Cancel Add/Edit      ?      Help

4. Verify that the added unit information is complete and accurate and click "Close Form"

Unit Information for Building: (1 - HSPH BAPT HOUSE)

\* Unit Number: 3 \* Unit Type: 1 Bedroom

Occupied: ☐ \* Reason Uninspectable: None Entered

Sample Units: 3, 5, 6, 11, 18, 20, 23, 27, 39, 41, 42, 47, 48, 56, 59, 62, 67, 68, 69, 71 Alternates: 53, 57

Comments: Vacant unit, inspected since vacancy rate exceeds 15 %

Units On File For This Building			
Unit No.	Occupied	Unit Type	Reason Uninspectable
▶ 3	<input type="checkbox"/>	1 Bedroom	None Entered

Click Here

Add Unit Edit Unit Delete Unit ? Help Close Form



5. Go to the Property Inspectable Item Tab and select the appropriate building and unit. Inspect the unit and record any observed unit deficiencies.

Inspection Number: 1154071

Property Information	Building / Unit Information	Property Inspectable Items	Check / Prepare / Import																																				
<div>Site</div> <div>Building</div> <div>1 - HURLBERT</div> <div>Exterior</div> <div>Systems</div> <div>Common Areas</div> <div>Unit</div> <div>3</div> <div>Unit</div>	<div>Building 1 - Unit 3</div> <table border="1"> <thead> <tr> <th>Inspectable Item</th> <th>NOD</th> <th>OD</th> <th>NA</th> </tr> </thead> <tbody> <tr> <td>Bathroom</td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Call-for-Aid</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>Ceiling</td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Doors</td> <td><input type="checkbox"/></td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Electrical System</td> <td><input checked="" type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Floors</td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> </tbody> </table> <div>Building 1 - Unit 3 Health and Safety</div> <table border="1"> <thead> <tr> <th>Inspectable Item</th> <th>OD</th> </tr> </thead> <tbody> <tr> <td>Air Quality</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Electrical Hazards</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Emergency/Fire Exits</td> <td><input type="checkbox"/></td> </tr> </tbody> </table>	Inspectable Item	NOD	OD	NA	Bathroom	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Call-for-Aid	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Ceiling	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Doors	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Electrical System	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Floors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Inspectable Item	OD	Air Quality	<input type="checkbox"/>	Electrical Hazards	<input type="checkbox"/>	Emergency/Fire Exits	<input type="checkbox"/>	<div>Item Definition</div> <div>Tools</div>	<div>?</div> <div>Help</div> <div>Exit</div>
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## **PROTOCOL REMINDERS:**

### **Occupancy Percentage**

- The occupancy percentage must be recorded by all inspectors for Multifamily Housing properties. Occupancy percentage may be calculated by dividing the total number of occupied units by the total number of all units and then multiplying the result by 100.
- Enter this information in the Comments field of the Property Information Tab as an integer with the “%” sign and with no spaces between them (e.g., 87%). Any Multifamily Housing property inspection that is uploaded without the occupancy percentage will be rejected.

### **Utility Disconnected:**

- If a utility has been disconnected in a sample unit, record the unit as uninspectable, reason “Other Hazard”, and select an alternate unit. In the Unit Comments field indicate which utility was disconnected. For Multifamily Housing properties, the inspector will need to inspect units with a disconnected utility if the vacancy rate percentage exceeds 15% for the property.

If you have any questions regarding this notice, please contact the PIH-REAC Technical Assistance Center (TAC) at 1-888-245-4860.